



**CITY OF WILLIAMSBURG**  
DEPARTMENT OF FINANCE

APPLICATION FOR DEFERRAL OF REAL ESTATE TAXES FOR FISCAL YEAR 2007

City of Williamsburg Code Section 18-54 allows the deferral of taxes on real property owned by and occupied as the sole dwelling of persons who are at least 65 years of age or permanently and totally disabled, subject to certain income and net worth limitations (see ordinance attached).

Date \_\_\_\_\_ Daytime Phone \_\_\_\_\_

Owner(s) \_\_\_\_\_ Age \_\_\_\_\_ Date of Birth \_\_\_\_\_

\_\_\_\_\_ Age \_\_\_\_\_ Date of Birth \_\_\_\_\_

Address and parcel number of property for which deferral is requested

\_\_\_\_\_  
List the names of related persons living in the dwelling

\_\_\_\_\_  
INCOME OF OWNER(S) AND RELATIVES LIVING IN THE DWELLING

1. Salaries of owner(s) \$ \_\_\_\_\_

\$ \_\_\_\_\_

2. Salaries of relatives living in the dwelling \$ \_\_\_\_\_

\$ \_\_\_\_\_

3. Social Security \$ \_\_\_\_\_

\$ \_\_\_\_\_

4. Retirement pensions \$ \_\_\_\_\_

\$ \_\_\_\_\_

5. Interest and dividend income \$ \_\_\_\_\_

\$ \_\_\_\_\_

6. All other income \$ \_\_\_\_\_

\$ \_\_\_\_\_

Total income \$ \_\_\_\_\_

Less: Up to \$10,000 of income of each relative living in the dwelling  
who is not the spouse of an owner \$ \_\_\_\_\_

Less: Up to \$5,000 of any disability benefit received by each  
resident owner \$ \_\_\_\_\_

Less: Up to \$10,000 of income of each resident owner who is  
permanently disabled \$ \_\_\_\_\_

Adjusted income \$ \_\_\_\_\_

ASSETS OF OWNER(S) AND RELATIVES LIVING IN THE DWELLING

1. Value of all real estate, other than above residence \$ \_\_\_\_\_
2. Value of all personal property:
  - a) Vehicles, boats, trailers, etc. \$ \_\_\_\_\_
  - b) Bonds, certificates, notes, stocks, savings accounts, etc. \$ \_\_\_\_\_
  - c) Cash on hand \$ \_\_\_\_\_
  - d) Cash surrender value of insurance policies \$ \_\_\_\_\_
  - e) Other personal property \$ \_\_\_\_\_
- Total assets \$ \_\_\_\_\_

REQUIRED ATTACHMENTS

Copies of the latest two years of Federal income tax returns for each applicant and relative living in the dwelling.

If under 65 years of age and applying based on permanent and total disability, please attach certification documents as prescribed in paragraph (4) of Sec. 18-54 (attached).

I hereby make application for deferral of the fiscal year 2007 real estate tax for the above real property as provided for by Section 18-54 of the Code of the City of Williamsburg, Virginia. I certify that the total combined net worth, including equitable interests, and the combined income from all sources of the persons listed above do not exceed the limits prescribed in the attached ordinance.

Signature(s) of owner(s) \_\_\_\_\_ Date \_\_\_\_\_  
\_\_\_\_\_ Date \_\_\_\_\_

City of Williamsburg Code

Sec. 18-54. Deferral of taxes on real property of certain elderly and disabled persons.

(a) *Definitions.* The following words, terms and phrases, when used in this section, shall have the meanings ascribed to them in this subsection, except where the context clearly indicates a different meaning:

*Income* shall mean gross income from whatever source derived, including but not limited to social security payments, inheritance, gifts, gains from sale or exchange of assets, proceeds of insurance (other than life insurance), welfare receipts and benefits under the state supplemental retirement system. Income shall not include life insurance benefits or receipts from borrowing or other debt.

*Net combined financial worth* shall mean the fair market value of all assets, tangible and intangible, legal or equitable, of the owner and the spouse of any owner, less the liabilities of such person, but excluding the value of the dwelling and of the land as provided in subsection (b)(1) of this section. Such term includes but is not limited to the cash surrender value of any life insurance policy owned by such person.

(b) *Deferral for persons over 65 or disabled persons.* Payment of real property taxes upon real estate or any portion thereof owned by and occupied as the sole dwelling of a person who is (i) not less than 65 years of age, or (ii) who is less than 65 years of age and who is permanently and totally disabled as defined in § 58.1-3217 of the Code of Virginia, shall be deferred, subject to the following:

(1) The total combined income during the immediately preceding calendar year from all sources, taxable and nontaxable of (i) owners of the dwelling who use it as their principal residence and (ii) owners' relatives who live in the dwelling shall not exceed the greater of \$50,000.00, or the income limits based upon family size for the respective metropolitan statistical area, annually published by the Department of Housing and Urban Development for qualifying for federal housing assistance pursuant to Sec. 235 of the National Housing Act (12 U.S.C. Sec. 1715z). Any amount up to \$10,000.00 of income of each relative who is not the spouse of an owner living in the dwelling and who does not qualify for the exemption provided by subsection (b)(6) hereof, shall also be excluded from the total combined income calculation. Further, \$5,000.00 of any permanent or temporary disability benefit, from whatever source received by any owner who uses the property as his or her permanent residence as well as \$10,000.00 of income of a resident owner who is permanently disabled shall be excluded from the total income calculation.

(2) The net combined financial worth, including equitable interests, as of December 31 of the immediately preceding calendar year of the owners and of the spouse of any owner, excluding the value of the dwelling and the land, not exceeding ten acres, upon which it is situated shall not exceed \$200,000.00. Without further action of city council, commencing with tax year 2007 said net combined financial worth limit shall increase annually by an amount equivalent to the percentage increase that has occurred in the Consumer's Price Index for All Items for All Urban Consumers (CPI-U), as published by the United States Department of Labor, Bureau of Labor Statistics, for the 12-month period ending September 30 of the year immediately preceding the affected tax year.

(3) The resident owner claiming such deferral shall file annually with the director of finance of the city, on forms to be supplied by the city, an affidavit setting forth the names of the related persons occupying such real estate and certifying that the total combined net worth, including equitable interests and the combined income from all sources of the persons as specified in subsection (b)(1) of this section does not exceed the limits prescribed in this section. Such affidavit shall be filed not later than December 1 of each year.

(4) If the applicant is under 65 years of age, the applicant shall attach to the form supplied pursuant to paragraph (3) above a certification by the Social Security Administration, the Department of Veterans Affairs or the Railroad Retirement Board, or if such person is not eligible for certification by any of these agencies, a sworn affidavit by two medical doctors who are either licensed to practice medicine in the commonwealth or are military officers on active duty who practice medicine with the United States Armed Forces, to the effect that the person is permanently and totally disabled, as defined in § 58.1-3217 of the Virginia Code; however, a certification pursuant to 42 U.S.C. § 423(d) by the Social Security Administration so long as the person remains eligible for such social security benefits shall be deemed to satisfy such definition in § 58.1-3217 of the Virginia Code. The affidavit of at least one of the doctors shall be based upon a physical examination of the person by such doctor. The affidavit of one of the doctors may be based upon medical information contained in the records of the Civil Service Commission which is relevant to the standards for determining permanent and total disability as defined in § 58.1-3217 of the Virginia Code.

(5) The director of finance shall make such further inquiry of the persons seeking such deferral, requiring answers under oath, as may be reasonable to determine qualifications therefore as specified herein, including the production of certified tax returns to establish the income or financial worth of any applicant for tax relief.

(6) Notwithstanding subsection (b)(1) above, if a person qualifies for a deferral under this section, and if the person can prove by clear and convincing evidence that the person's physical or mental health has deteriorated to the point that the only alternative to permanently residing in a hospital, nursing home, convalescent home or other facility for physical or mental care is to have a relative move in and provide care for the person, and if a relative does then move in for that purpose, then none of the income of the relative or of the relative's spouse shall be counted towards the income

limit, provided the owner of the residence has not transferred assets in excess of \$10,000.00 without adequate consideration within a three-year period prior to or after the relative moves into such residence.

(7) Such deferral may be granted for any tax year following the date that the occupant owner or co-owner of such dwelling reaches the age of 65 years or becomes permanently and totally disabled. Changes in respect to income, financial worth, ownership of property and other factors occurring during the taxable year for which the affidavit is filed and having the effect of exceeding or violating the limitations and conditions provided herein shall nullify any deferral for the then-current taxable year and the taxable year immediately following; provided, however, that a change of ownership to a spouse who is less than 65 years of age, or not disabled, when such change resulted solely from the death of his or her qualified spouse shall result in a prorated deferral for the then current taxable year. Such prorated portion shall be determined by multiplying the amount of the deferral by a fraction wherein the number of complete months of the year such property was properly eligible for such deferral is the numerator and that the number 12 is the denominator.

(8) Upon the termination of deferral by virtue of sale of the dwelling, by virtue of the death of the last owner thereof who qualifies for deferral, or by virtue of a recovery that no longer causes the owner to be permanently and totally disabled, all taxes theretofore deferred shall become immediately due and payable. No penalty shall be assessed in relation to such deferred taxes, but interest shall be charged on all amounts so deferred at the rate of eight percent per annum, figured from the date of deferral until payment, which interest shall in the case of sale be due and payable by the vendor immediately upon sale and, in the case of death or recovery, shall be due and payable by the owner or decedent's estate within one year of the recovery or decedent's death.

(9) Real estate taxes deferred hereunder shall constitute a lien upon the real estate to which they relate to as if they had been assessed without regard to the deferral; provided, however, that such liens, to the extent they exceed the aggregate of ten percent of the price for which the real estate may be sold, shall be inferior to all of liens of record.

(Ord. No. 867, § 12-11, 10-10-91; Ord. No. 20-99, 7-8-99; Ord. No. 02-17, 7-11-02; Ord. No. 05-21, 9-8-05)

**State law references:** Exemption or deferral of taxes on property of certain elderly and handicapped persons, Code of Virginia, § 58.1-3210 et seq.

Income limits for Fiscal Year 2007 referenced in paragraph (1) above:

Family size	Income limit	Family size	Income limit
1 Person	\$50,000	5 Person	\$61,850
2 Person	\$50,000	6 Person	\$66,450
3 Person	\$51,550	7 Person	\$71,050
4 Person	\$57,300	8 Person	\$75,600

Net financial worth as of December 31, 2006, as defined in paragraph (2) above, may not exceed \$210,000.